

## **1997 Talking Points Transportation**

### **1997-99 Transportation Budget (SSB 6061 - passed Legislature)**

**Background** - A 7-cent gas tax bill was considered in the Senate Transportation Committee to fund 229 new highway construction projects. The proposal included a 1-cent local gas tax option (without a vote of the people) for both cities and counties. Five cents of the gas tax was to be used to pay for \$2 billion worth of bonds so the projects could be started and completed sooner and at less cost. The additional 2 cents was to be distributed as follows: 1.7 cents half for counties and half for cities; .3 cent for ferries. The focus of the gas tax proposal was to improve high accident corridors; to maximize highway capacity and minimize congestion; and to sustain the state's economic growth. No vote was taken on the gas tax proposal.

**Bill Summary** - The 1997-99 budget totals \$3.068 billion compared to the total 1995-97 budget (including supplemental) of \$3.320 billion.

- ◆ Money is transferred from the state general fund to provide for a few highway improvement project startups
- ◆ The highway preservation program is fully funded
- ◆ Provides funding for a second passenger-only ferry and completion of the second and third Jumbo Mark II ferries
- ◆ Funds the Rural Mobility Program at \$2.5 million
- ◆ Money is transferred from the state general fund to add 66 new troopers during the biennium to improve the availability and response level for motorist assistance and traffic enforcement and provides for an equalization salary adjustment for commissioned officers, commercial vehicle enforcement officers, and communication officers to bring them up to the 50<sup>th</sup> percentile of other Washington state law enforcement compensation plans
- ◆ No funding is provided for LAMP
  - ✓The Department of Licensing's computer project (LAMP) is \$18 million over budget and more than one year behind schedule. It has cost taxpayers \$39 million so far. Phase II has been put on hold and Phase III has been shelved. The project was to combine the licenses of drivers, vehicles and vessels and crossmatch data from the three areas.
- ◆ Requires a thorough evaluation and audit of DOT and other transportation agencies

### **SCR 8415 - Distribution of MVET funds (Filed with Secretary of State)**

**Background** - An excise tax upon private motor vehicles was enacted in 1937 "...in lieu of property taxes thereon and for the allocation of revenues therefrom to the state school equalization fund for the relief of counties from the burden of common school support..." (Intent Language, SB 291-1)

- ◆ Distribution of MVET Revenue...24 percent goes into the state General Fund; 21 percent goes to Counties and Cities; 1 percent is used for Administration; 25 percent is used for Transit; 11 percent is used for Ferries; 2 percent is used for HOV/Transit Projects/Rail; and 16 percent goes into the Transportation Fund. (The Transportation Fund was created in 1990 to provide support for all types of transportation projects and programs. The Transportation Fund is not subject to the restrictions of the 18<sup>th</sup> Amendment.)

**Bill Summary** - The fiscal committees of the Legislature shall exam the imposition and distribution of MVET funds. The Legislature commits to develop a long-range plan to dedicate additional MVET funds for transportation purposes.